

CONSULTING: A WORLD OF PERSONAL, FINANCIAL, AND PROFESSIONAL FULFILLMENT – MAYBE!

Gary Bess, Ph.D., California State University, Chico

Being a consultant is most managers' fantasy. As the fantasy goes, you are free of day to day repetitive duties, you can pick and choose your involvements, and you don't have to work when you don't feel like it. And, of course, clients will be knocking at your door. The reality of building a consulting practice without the safety net of a pay stub is explored. Questions such as— What services to offer? How do you charge for services? How do you find your consulting niche? – are addressed.

Almost everyone wants to be a consultant – I naively did before I became one! When you are in the 9-to-5 management grind, which is actually 7-to-10 between breakfast and late-night committee meetings, you may feel unappreciated for your labors, confined by arcane policies, managers, or Board members, and in a dead-end rut of finite income and creative expression. Well, about 14 years ago I made the break from serving as an executive director of a health and human services agency in a large metropolitan area and threw my laptop (which was much heavier back then) into the consulting ring.

My decision to enter the world of consulting also coincided with my family's impending relocation to a semi-rural university community, where the same professional opportunities that I had found in urban areas were unavailable. It presented a special challenge in that I would be moving about 500 miles north of the health and human services community that I knew and where I was known. This would mean that adequate communication and regular travel would be essential components of my consulting business. Fortunately in the early 1990s, the Internet was emerging as an inexpensive vehicle for communicating and sending documents, and there were two commercial airports, one that was a 30 minute driving distance from my soon-to-be home office, and the other was 90 minutes. Working at home – a dream come true?

I knew nothing about the consulting business before I became a consultant. I entertained the common fantasies that most workplace Dilberts have that can be summed up in one word – “FREEDOM!” As a consultant, I would be in control. I would be able to schedule my work hours with no early or late-evening meetings unless I decided to have them because it was imperative that I meet with clients. I would also be able to work from home, picking and choosing my projects, and taking on only those that I found personally meaningful and professionally challenging. Then, too, there would be the opportunity for creative expression. I would not be fettered by political considerations about who might be offended by my report or recommendations, or whose toenails I might need to polish in order to rearrange agency priorities.

Consulting also conjured an expectation that I would be recognized for having done a good job, which would be shown through fair compensation, repeat engagements, and expressions of appreciation from satisfied clients. And, with regard to fair compensation, there would be unlimited financial potential in that my earnings would depend upon me alone and not personnel committee members who, as volunteers, fixed executive compensation based on their own standards and wages.

Consulting would be my Utopia – a world of personal, financial, and professional fulfillment. Or, so I thought!

Starting out on what amounted to a new career wasn't easy. I was on the high wire without the safety net of a pay stub. I wondered what do I actually have to offer that has value? How do I get the word out that I'm available to consult? How much should I charge and by what method? Should it be by the hour, by the project, or possibly as a retained service? And, of course, what are the risks and benefits of consulting?

So, where did I begin? I did what others who have preceded and followed me have also done: I consulted with a consultant on how to consult. I had known Audrey (not her real name) before she had started a consulting business about three years earlier. Although her niche was different than mine, the insights she provided helped ground me as I began to build my consulting business. Beyond Audrey's encouragement, I don't recall many specifics about our conversation, except for one. She said, "Don't be needy." What profound words! I suddenly felt like a grant deadline had been extended by two weeks.

Don't be needy. Those three words said it all. They lifted the pressure that I had felt to hit the pavement running and to have immediate success. They also helped me understand the angst I had experienced as I followed up on my early proposals for consulting services. The follow-up was always difficult, not because I didn't want the work, but because I did not enjoy the feeling of being "needy" as I called to inquire if a client had reached a decision. Realizing that a decision to contract with me would not be affected by whether I called or not, I happily discontinued the practice. Since then, as a matter of professional policy as well as to preserve my own sanity, I seldom call clients to inquire about submissions. I wait to be informed if my proposal has been accepted or not.

I claimed a bedroom as my first home office. I brought in additional telephone lines, plugged in my thermal paper fax machine, and configured my dial-up modem to the Prodigy on-line service. I learned quickly that work is work and home is home, and yet the separation between the two isn't always easy to accomplish. I decided not to answer the home telephone during business hours, and to try, though not always successfully, to stay off the office computer after hours and on weekends. While it is fairly easy to avoid the home telephone during the workweek, it is not as easy to stay away from the home office during off-hours. Whatever time I may save by not commuting to work or going out for power business lunches, is often spent when my computer monitor beckons me during off hours to squeeze in just a "little" more work.

The work I initially found as a consultant came from colleagues and competitors who both wanted the same thing – to benefit from my recent experience as an agency director. They were interested in *defector intelligence*. Assuming that loyalty to my former employer had waned and that intellectual property clauses were unenforceable, they approached me to gain information about my former agency's prior successes – successes that were not necessarily my own. Their interests were mostly connected to grant writing and other resource development activities within the same service industries.

As I reflect on my earliest days of building my consulting business, the most effective means of attracting clients was through word of mouth based on successes achieved for other client agencies. Today, the majority of new contracts continue to come to my company through these informal networks of satisfied clients.

I have advertised, however, from lean time to lean time, admittedly without benefit of a marketing consultant who no doubt would tell me that I needed to invest more money in advertising for a longer duration to achieve

the big payoff of new clients. Arthur Andersen likely took the marketing consultant's advice as they are now a household word, and have even served as official vote counters at the Academy Awards. But, for me, I haven't advertised much. My sponsorship of the local Little League teams on which my son has played has truly not been an attempt to attract business from irate umpire-baiting parents of young ballplayers, but rather a charitable gift toward America's number one sport. I do admit also to hopes of ensuring my son's succession to the big leagues after which "remember your parents" would be the only consultative advice that I would render to him.

My first few years as a consultant were lean. Those who wanted to drain me of intellectual property did so and moved on. During this period I began to better understand my marketable strengths and the arena I would work within. As an agency director, you are expected to understand, if not be expert, in several complementary management domains, i.e., financial management, resource development, planning and program development, human resource management, board relations and management, and community relations. I had some experience in all of them. I learned quickly that resource development in general, and grant writing in particular, were ever necessary and consistently marketable skills. They provide the lifeblood of agencies. Being able to write a grant proposal and knowing the local funding community were the basis of a large portion of my initial consults.

Grant writing also provided me with a clearer sense of my client base. While institutions large and small have a need for grant writers, I realized that my sensitivities were with the "little guy" – smaller agencies with fewer resources and plenty of heart – and I decided that I would focus my work with them. This was a pivotal decision in that while many of my clients were addressing substantial unmet needs among diverse

populations, which as a social worker I applauded, they also lacked the resources to engage a grant writer, and I was not interested in working on a commission basis. There is an ethic in fund raising that says that fundraisers should be paid for their labors like other professionals, such as attorneys, and their compensation should not be tied to whether they are successful or not. So, working for commission on the contingency of the grant being funded was not an option that I would consider. Besides, the grants themselves generally do not include extra dollars for a well-written proposal, and so where would payment come from even if the grant were funded? This meant that some could afford my services and others could not. The best that I could do, which has continued to this day, is to introduce a sliding fee schedule that unfortunately is not zero-based, yet is somewhat scaleable based on key variables (e.g., how much other work I have at the moment and the agency's operating budget).

There remained the question of what to base my charges on. Many consultants charge by the hour and often, as I've learned, government service contracts require an hourly rate. I knew well before I began consulting that my focus and my sheer brilliance are not constant and can change from hour to hour. During some hours or partial hours I exude tremendous energy and intelligence, and can be highly productive. During other hours I can be dense and lethargic. Though perhaps I keep plodding to productively develop a draft document, as I reread it an hour later the pearls that I had just crafted are actually unclear, non-compelling, and, if I'm honest with myself, something that I wouldn't fund let alone expect a funder to embrace. So, what do I do? Do I rebate fees for that hour of compromised brilliance?

Deciding not to bill by the hour unless forced to do so by client policy, I looked at two other means of structuring my

compensation. One method is by product and the other is by retainer. I found both to have merit and to be preferred by agency clients in that they could accurately budget for this expense and be assured of a finished product. Product-based billing assumes that the contractor can estimate his or her resource requirements to complete a proposal or report, or to carry out a strategic planning process. Retainer, by contrast, establishes the consultant as a part-time *ex-officio* member of the agency's staff, available to the agency within a delimited scope of work. This too provides assurance to the agency that certain production benchmarks will be achieved.

I currently offer both options to clients. If there is a major funding opportunity available, which requires intensive and yet short-term activity in order to write a winning proposal, the product option is likely the better choice. This is often the case in government funding initiatives, or when an agency needs a program evaluated or a strategic plan written. I estimate the required number of hours, which I hope will be more reliable than the last building contractor's estimate that I received. It includes subcontractor costs such as for data retrieval and entry, as well as for travel and supportive services.

If on the other hand, the agency is interested in acquiring longer-term assistance, such as in grant writing or continuing program evaluation as part of quality assurance activities, a retainer is the better alternative. Here we agree to a scope of work, such as the submission of at least two proposals for funding each month or the compilation and presentation of client satisfaction data on a quarterly basis. The projection of two proposals each month are minimums, however, in that as any successful salesperson or businessperson will tell you, to keep customers satisfied, provide more than they expect.

Years ago when I lived in New York City, I learned this important simple strategy. I

would meet a friend for a beer at the local neighborhood watering hole on the East Side. At the risk of embellishing or sounding like I imbibed to excess, after every few drafts the waitress would bring us one on the house. The lesson was clear – *we appreciate your business.*

Retainers are structured month to month so that they can be terminated at any time. I do this because I truly don't want to be in situations where my services are no longer required and/or appreciated. If there is magic between us, which usually involves the agency's director and me, the relationship endures. If there isn't magic or if our best efforts do not lead to successful proposals, or if there is dissatisfaction with the evaluation results that I provide, why remain? I think too that this approach creates a strong drive that keeps me focused on making sure that this never happens.

The freedom to leave and move on to new opportunities is not generally found in unsatisfactory management work situations after the honeymoon has ended, when meaning and purpose are lost, or getting out of bed each morning is like rising from revelry. Managers often remain long after they and their employers would have supported a mutual parting. Financial dependence, pride, and lack of comparable opportunities are often the cited reasons. It is much easier for consultants to voluntarily or involuntarily move at either their own behest or that of the contract-agency. As a consultant, the stigma associated with this departure can be easily masked by such phrases as "It was a temporary consult and now they are fine without me," or "We couldn't agree on an approach and I ended the consult."

The bravado that I have just expressed and the ability to move from work assignment to work assignment are much easier today than in the early years of business when consulting gigs were not as many. I think that intuitively I always understood, however, that



as a consultant I served at the pleasure of the organization's director. So, why attempt to structure something different than this? If my products are good and appreciated, I remain for the duration of the task; if things are not working, well then neither am I!

Though I've honed in on grant writing, as it constituted my first service, and has been a mainstay for the past 14 years, my consultancy has also evolved into other areas, and with each, there have been challenges. Today, the range of my consulting services includes needs assessments, program evaluation, strategic plan development, program development, and nonprofit management advisory services. I have a tendency not to say "no" to new work, which on the one hand has kept me busy and has stretched my competencies, and on the other, has meant that I keep others busy, as well, bringing them on to help.

This has had several effects: (a) I've provided meaningful human services work for others; (b) I've been able to stabilize a diversified agency client base; (c) I've given true meaning to the word "associates" in Gary Bess Associates; and (d) I've had to deal with internal quality control. Unlike big consulting firms where you know that Mr. Price or Mr. Waterhouse are no longer directly serving clients, the work that we obtain comes primarily through my reputation as a consultant. This acknowledges, of course, that if my reputation is not as stellar, or at least someone's star is brighter, consulting opportunities are not forthcoming.

Anyway, with competent management cloning somewhat more complicated than sheep and dogs, it took quite a while and several botched unions before I found a staff that could produce the quality of work that clients deserve and that I feel comfortable endorsing. The challenge, as I've come to understand it, is that there are those that are technically competent (e.g., good writers and good researchers with an abundance of passion for the underserved). What they lack,

however, is the ability to understand how service programs work, and as writers and interpreters of evaluative findings, we need to be able to explain how and why certain things are necessary or have occurred.

There are also those that are great *program people*. They can connect the dots, work wonders with clients, motivate others to believe as they do in the viability of their programs, and make each dollar stretch. Yet, they cannot organize their thoughts to explain how programs work, and what skills and knowledge staff needs to do their job, or they are unable to write in a readable, compelling style that my clients and a funder expect to see. In their hearts, they know that providing services is where they belong, and yet they apply as grant writers or program evaluators, based on their direct and inarguably solid human service experiences and lack of other employment opportunities in a semi-rural community. They cannot, however, effectively use a keyboard to translate in MS Word their experiences to other contexts and settings.

Finding someone with both competencies – technical writing and strong program experience – is the challenge. There are few that offer both. I've hired employees with certificates in technical writing or degrees in English, and I've hired employees with solid private nonprofit and/or public agency experience. Few have demonstrated the ability to do both well. To the degree that I've been able to recruit macro social workers, I've done so, believing that our education best prepares us for this level of human services involvement.

There's yet another necessary dynamic in addition to basic competencies that has also caused me to stumble in my pursuit of a staff with the *right stuff*. No, it's not Alan Shepherd's or John Glenn's launch pad daring, as this is a given. Anyone who has attempted to address a social problem already understands that its complexity is equal to, or even more complex than, rocket science. The

other requirement is speed. Years ago when lawyers Leonard Jacobi and Steve Myers broke out from the tradition that said that attorneys should not advertise and offered low-cost divorces on late night TV, it was a new era for the legal profession. They earned their money in true populist form on a mass volume of clients.

Well, I'm a populist of sorts, at least with regard to the way that I've gone about building the consulting business. Our clients are small to medium size agencies and universally don't have a lot of money. I defer to other consultants, presumably larger businesses, to go after big client contracts where one or two may be sufficient to support a consulting division or the business overall. For me business is based on volume, and hence staff members need to be quick as well as capable. They need to be able to draft a letter of intent or a full proposal, from beginning to end, with a sketch framework provided by the client. Or, they need to be able to quickly comprehend the client's program, and be able to identify standardized evaluation instruments or create new ones to address research or needs assessment questions. Once the data is received, it needs to be speedily manipulated with written findings of significance organized and presented in the appropriate form to the client.

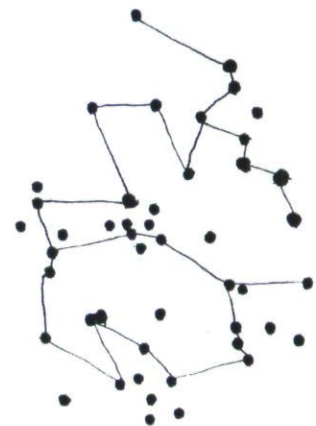
I do not own up to being a hard task master (though my beleaguered employees certainly do not have time to contribute an article to *Reflections*), but as a practical matter, the ability to produce a good first draft the first time and within a reasonable period is a job requirement that I place on others and myself. And, not everyone can do this.

In retrospect, I'm clearly glad that I made the move to becoming a consultant. Today I have four employees and a network of a half dozen consultants that work with me. Every day is filled with challenges, though they are mostly the rewarding kind. Some clients have been with me (or me with them) for 10 years

or more. Others are more recent, and with each new assignment there is something new to learn, such as a new twist on a conventional need, a new way of responding, and new energy and excitement that lasting change will occur as help is on the way.

I'm a little smarter today than 14 years ago. Yet, I see few shortcuts along the path that I've walked. Each step was necessary toward building a consulting business. There have been many changes during this time, though throughout, there has also been the constancy that good work translates into satisfied clients and through word of mouth, more work. A board member used to say, if you satisfy one client, he or she will tell a friend, but if you dissatisfy a client, he or she will tell 10. It's good to have clients as friends.

Gary Bess, Ph.D., is a principal in Gary Bess Associates, a health and human services consulting firm. He teaches part-time in the School of Social Work at California State University, Chico. Comments regarding this article can be sent to: gary@garybess.com



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